

Bangladesh Bank to publish another defaulters' list

by Shahiduzzaman Khan

Bangladesh Bank will soon publish another list of defaulters whose overdue loans range from Tk one crore to Tk 2.5 crore. On this account, the amount of total overdue bank loan is estimated at Tk 1,000 crore, Bangladesh Bank sources say.

The move is a part of the recovery plan of the bank loans stuck up for long causing stagnation in the financial sector. The Banking Company Ordinance, 1991, passed in the Parliament recently, empowered the banks to make the defaulters' names in public.

Bangladesh Bank had earlier published the names of 223 defaulters in the newspapers (group-wise the number is 171). The list of those defaulters was published whose overdue loans taken from the Nationalised Commercial Banks (NCBs), private banks and foreign banks stood at Tk 2.5 crore and above. On this count, the total overdue loans amounted to Tk 2300 crore, the sources say.

The Banking Company Ordinance envisaged enforcement of strict discipline in the financial sector. Bangladesh Bank sources claimed that the publication of the list has already brought some encouragement responses. The sources say it will take sometime to estimate full extent of the results.

Bangladesh Bank has listed the defaulters in three categories. First categories suggested names of the defaulters against whom legal actions have been taken. The second part mentioned those cases against whom no action has so far been taken. The third category listed the names of the public sector organisations which did not pay the overdue loans within the stipulated timeframe.

Bangladesh Bank is now working on a list of top defaulters by scrutinising the lists received from all public and private sector banks and other financial institutions.

Financial experts however suggested that mere publication of the defaulters list would not end up in good success until effective steps are taken to realise the overdue loans. Many complained that

although they were paying their regular instalments, their names were published as defaulters.

The amount of outstanding loans have been termed as overdue. Many loanees complained and said, such steps are contrary to good banking practices and violating the usual banking norms. They are doing it under pressure from the World Bank, said a borrower.

Trade circle says, for lapses of a few big defaulters, many rigid conditionalities were being imposed upon the common borrowers in terms of realising the bank loans. A handful of defaulters took huge loans during the fallen Ershad regime in connivance with a section of bank officials. Steps are being taken to punish the defaulters but the bank officials and others involved in the racket are going unpunished, trade circle claimed.

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Probe into causes of losses in textile sector stressed

Star Economic Report

The council to resist denationalisation of cotton and textile mills resented the committee of Planning and Finance Minister Saifur Rahman on denationalising the cotton and textile mills on account of losses.

The council, in a statement on Sunday, said a neutral investigation should be carried out to identify the reasons of losses in this sector although the workers' productivity was over 90 per cent.

The council viewed that the 27 mills of BTMC which were denationalised in 1982 have either fully or partially closed down.

The council said it is not evident that the losing mills will be profitable if put under private entrepreneurship.

Economic assistance for EPZ units sought

Bangladesh Terry Towel and Linen Manufacturers and Exporters Association Sunday called upon the government to extend more substantial economic assistance to its member units at Export Processing Zone (EPZ) and other places of Chittagong which were affected by the recent devastating cyclone and tidal surge, reports BSS.

Hailing the government decision to give up to maximum 50 lakh Taka bank loan to each affected industry in the EPZ, the association thanked the Acting President Justice Shahabuddin Ahmed, for his personal initiative for the rehabilitation and resumption of production of the affected industry in EPZ.

Talking to BSS in Dhaka Vice Chairman of the association M Ansuuzzaman, called for ensuring procedural simplification for speedy disbursement of the bank loan and urged the government to increase the amount in view of

the need of the factories there. The amount should be fixed in proportion with the extent of damage suffered by the industries and longer period for repayment, should be allowed, he said.

He said the machinery, raw materials, finished products awaiting export, incoming materials at the port and infrastructure of 13 towel factories worth Taka 15 crore were damaged by the cyclone and tidal surge.

Referring to his experience of recent visit to the United States as a member of a textile negotiating team, Anis said, after the cyclone towel exporters of other countries have already started pursuing the buyers there to cancel all orders for Bangladesh towels on the plea that it would not be possible to start export of the item from here within next three months.

Considering this move, the authorities will have to be vigilant to ensure all facilities on urgent basis for the manufacturers to resume production without delay, Anis said.

Accord on pond fishery signed

A loan agreement has been signed between Bangladesh Krishi Bank, two other commercial banks and Aquaculture Extension Project. Mymensingh to implement a pond fishery project in some selected upazilas of Mymensingh, says a press release.

The project is financed by Danish International Development Agency, Sayid Mufarrar Hussain, General Manager, Planning Division of BKB and MA Khaleque, Project Director, Mymensingh Aquaculture Extension Project signed the agreement on behalf of their respective organizations.

Snippets

\$150m Japanese loan for Pakistan

TOKYO, May 26: Japan's Export-Import Bank has announced that it will extend \$150 million dollars in untied loans to Pakistan, reports AFP.

In a statement Friday, it said the money would be used to finance an electric power and gas development project currently being carried out by Pakistani energy agency.

The bank did not disclose the terms of the loans.

Soviet oil workers for doubling their wages

MOSCOW, May 26: Soviet oil and gas workers union leaders said they were meeting Prime Minister Valentin Pavlov to press demands for wages to be doubled and oil and gas prices raised by July 1, reports Reuters.

Asked at a news conference if the union was prepared to call a strike in support of its demands, senior official Lev Mironov said, "We do not exclude the possibility of a strike but we do not want one."

The government raised oil prices to 70 rubles a tonne on January 1, up from 30 rubles. But the union is demanding that oil prices be hiked again to 84 rubles a tonne by July 1.

Lithuania introduces its currency this year

STOCKHOLM, May 26: Lithuania plans to introduce its own currency this year, the national news agency TT quoted a Lithuanian official as saying Saturday, reports AP.

Kazimieras Antanavicius, chairman of the Lithuanian parliament's economy commission, said introducing the currency, called the "Litas," would be part of the Soviet republic's move toward independence.

He predicted Lithuania would cut its ties with the Soviet central bank within three to five years, TT said.

"We regard it as quite clear that the Soviet Union will cease to exist in the future," he was quoted as saying.

Antanavicius was speaking at a labor movement conference for Baltic states in Malmo, southern Sweden.

Spokane Stock Exchange sounds closing bell

SPOKANE (Washington), May 26: The Spokane Stock Exchange, which has traded mining issues since 1897 and has long been America's tiniest formal equities market, quietly closed its doors for good on Friday, reports Reuters.

Low silver prices and the US recession finally forced the struggling 6-member exchange out of business, said Preston Macy, the exchange's Compliance Officer.

"Everybody just threw up their hands and said 'that's it,' Macy told Reuters in an interview after the exchange's final close of trading. "I'm the only one here now. No one even wanted to come over for the funeral."

Grant to combat AIDS

BANGKOK, May 26: The Australian government has given a three million Baht (120,000 U.S. Dollar) grant to Thailand to help combat the spread of Acquired Immune Deficiency Syndrome (AIDS), government and embassy officials said, reports AFP.

The money will go to non-governmental organizations working on the disease.

According to unofficial estimates, there are 200,000 to 300,000 AIDS carriers in Thailand. Official figures claim there are only 80,000 carriers.

Training on industrial loan management ends

The one-week long training programme on industrial loan management ended on May 23 at Bangladesh Small and Cottage Industries (BSCIC) Training Institute.

About 21 participants took part in the course which touched on subjects like improving the skills of entrepreneurs, receiving industrial loans, management, budget, looking after the sick industries and machinery purchase and import.

On the concluding day, BSCIC Director (Planning) A H M Rezaul Karim distributed certificates among the participants as chief guest and stressed the need on training in establishing industries. He urged the participants to apply the training in real life.

Principle of the Institute Mohammad Shiralul Islam in his presidential speech said such courses are beneficial to the industrialists.

Among others who attended the programme are: General Manager of Agrani Bank Abdus Sattar Patwari, and banker Kazi Joyal Emran.

Moderate fall in share trading

Star Economic Report

Transactions at Dhaka bourse witnessed a moderate fall on Sunday. But the downturn in the Composite Index of Dhaka Stock Exchange was halted by the advanced domination.

The Index, which is the broad indicator of price movements of all the listed stocks, moved up to 343.5826 points from Saturday's 343.4225.

In all 3,257 shares and debentures changed hands compared with Saturday's 4,429. Traded issues valued Taka 2,98,834.00. It was Taka 2,79,722.00 on Saturday.

Transactions involved nineteen stocks. Of them eleven gained and eight lost in their prices.

The debentures of Apex Tannery and Beximco Pharma advanced Taka 5.00 and Taka 0.85 to Taka 1040.00 and Taka 1731.00 respectively.

N.T.C. in the Food and Allied sector gained Taka 5.00 to Taka 265.00.

Bangladesh Thai Aluminium moved up Taka 2.67 to Taka 94.67.

Kohinoor Chemical and Usmania Glass gained Taka 2.00 each to Taka 72.00 and Taka 130.00 respectively.

Oxygen, 2nd ICB Mutual Fund, 4th ICB Mutual Fund, 6th ICB Mutual Fund and Metalex Corp. advanced within the range between Taka 0.38 and Taka 1.00.

Rahim Textile and Rupali Bank lost Taka 5.50 and Taka 3.64 to Taka 50.00 and Taka 76.36.

Bengal Food and Karim Pipe declined Taka 3.00 and Taka 2.00 to Taka 167.00 and Taka 122.00.

Bangladesh Autocars, Beximco Pharma, Eagle Box and Talu Spinning lost within the range between Taka 0.50 and Taka 0.98.

Quoted Prices of Traded Stocks

May - 26

Stock	Price	Change
Rahim Textile	100/5	(-3.64)
Beximco Pharma	100/5	(+1.00)
Rupali Bank	100/10	(-3.64)
Oxygen	100/10	(+0.38)
2nd ICB Mutual Fund	100/10	(+0.38)
4th ICB Mutual Fund	100/10	(+0.38)
6th ICB Mutual Fund	100/10	(+0.38)
Metalex Corp	100/5	(+0.79)
Bangladesh Autocars	100/5	(-0.79)
B. Thai Aluminium	100/10	(+2.67)
Karim Pipe	100/5	(-2.00)
Kohinoor Chemical	100/5	(+2.00)
Eagle Box	100/5	(-0.98)
Bengal Food	100/5	(-3.00)
N.T.C.	100/5	(+5.00)
Rahim Textile	100/5	(-5.50)
Talu Spinning	100/10	(-0.71)
Miscellaneous	100/5	(+2.00)
Usmania Glass	100/5	(+2.00)
Apex Tannery	1000/1	(+5.00)
Beximco Pharma	1714/1	(+0.85)

115 Unchanged stocks include no traded on the day at their previous quoted prices.

Turnover = Taka 2,98,834.00 (Value) 3,257 (Volume).

Price Barometers Essentials

May-26

Item	Price
RICE (Taka per kg)	
Amam (Very fine)	16.50-17.00
Amam (fine)	14.75-15.00
Amam (medium)	14.00-15.00
Pajani	14.00-15.00
Ufidi	13.00-15.00
VEGETABLES (Taka per kg)	
Potato (White)	3.75-4.00
Brijjal	10.00-15.00
Lady's finger	10.00-12.00
Karolla	10.00-12.00
Labshak	7.00-8.00
Peapa	6.00-8.00
Green Banana (Four Pieces)	6.00-8.00
OTHER FOODCRAIN (Taka per kg)	
Flour	12.00-14.00
Amu	10.00-11.00
Wheat	8.00-8.50
Suzi	18.00-20.00
FISH (Taka per kg)	
Ruhi (big)	110.00-145.00
Katla (big)	90.00-100.00
Hilsha	55.00-56.00
Shrimp (big)	80.00-100.00
Singi	90.00-110.00
Koi	100.00-120.00
PULSES (Taka per kg)	
Mash	26.00-28.00
Mashur	28.00-30.00
Moogh	22.00-24.00
Chholad	24.00-26.00
Matar	16.00-18.00
Khesari	16.00-18.00
MEAT (Taka per kg)	
Beef	Not Available
Mutton	Not Available
OIL (Taka per litre)	
Mustard	52.00-56.00
Soyabean	36.00-38.00
Coconut (Colombo)	64.00-70.00
Vegetable Ghee	50.00-52.00
SPICES (Taka per kg)	
Onion	15.00-16.00
Garlic	36.00-40.00
Chillies	52.00-58.00
Tumeric (Round)	42.00-48.00
" (Long)	42.00-48.00
Green chillies	18.00-20.00
Ginger	20.00-24.00
Cinnamon* (10grms)	3.00-3.50
Cardamom* (large)	3.50-4.00
Jhira (50grms)	7.00-8.00
MISCELLANEOUS (Taka)	
Ghee	22.00-24.00
Sugar	27.00-28.00
Molasses	18.00-20.00

EC likely to help Soviet economy

WARSAW, May 26: A senior European Community (EC) official said the bloc should consider wage to help reverse the domestic slump in trade between the Soviet Union and its former east European allies, reports Reuters.

"It's clear that one of the areas we have to look at very carefully is the possibility of creating some kind of arrangement which would make it possible for links between the Soviet Union and its former trading partners.... to be resumed," EC Commissioner Sir Leon Brittan said.

Brittan refused to elaborate but said a two-day visit to Poland, whose economy has

Chinese trade team to visit 7 EC states

BEIJING, May 26: A Chinese delegation will leave Saturday on a shopping mission to seven European Community nations, trying to increase trade links and gain technology, an official newspaper reported, says AP.

The China Daily said Sunday that the 22-member delegation would visit Belgium, the Netherlands, Italy, Spain, France, Britain and Germany between June 1 and 27.

Sino-EC relations have improved steadily since last October, when the 12-nation organization lifted bans on loans and high-level exchanges imposed on China after the Chinese army violently suppressed a popular democracy movement in June 1989.

Wei Yuming, a former Chinese Foreign Trade Minister, will head the delegation.

Bankruptcies soar in Canada

OTTAWA, May 26: Bankruptcies in Canada soared 77 per cent in April over the same month last year as a slump in consumer spending hit the retail sector, reports Reuters.

The Government reported on Friday that bankruptcies reached 6,671 from 3,765 a year earlier and the number of business failures was the highest since Canada's recession began a year ago.

"A lot of businesses hanging on ran out of time," said Tim Whitehead, a Canadian Imperial Bank of Commerce Economist. "Consumers are still facing a heavy debt load and are not spending, so re-

common agricultural policy.

On steel, Poland would have to show the Community it had scrapped subsidies to its domestic producers, Brittan added.

Warsaw sees an association accord as a prelude to eventual membership in the EC, but the bloc has made clear it will be at least a few years before Poland and its neighbours are ready to join.

Brittan said no statement that Poland would automatically become an EC member was envisaged in the association accord. That question would be considered "when the time arises and an application is received from Poland."

Soviet economy shrinking

BRUSSELS, May 26: The Soviet economy shrank to an "alarming point" in 1990 despite attempts at reform, and is likely to decline further this year, according to a NATO report released here yesterday, reports AFP.

The report, by an Economic Committee of the North Atlantic Treaty Organisation (NATO) reported a drop in output of key industries, accelerating inflation and poor results from efforts to produce more consumer goods.

"In 1990, for the first time in Soviet post-war history, Soviet statistics showed an absolute decline of major macro-economic indicators," the report said, quoting Soviet and its own intelligence sources.

The report said the conflict between the central government and the various republics, plus demand for more spending, could send the Soviet budget various republics, plus demand for more spending.

But since the campaign was dropped in 1988, alcohol sales

have been shooting up, pulling up the statistics on consumer spending in general.

NATO estimated that Soviet arms deliveries to developing countries in 1989 were 13 per cent lower than in 1988, and stopping even faster in 1990 because those countries that could afford to pay were cutting their orders.

The report said that, with the traditional planned economy in disarray, there had been a "most disturbing" descent into barter because many businesses were no longer willing to accept payments in rubles.

The most visible result of the ensuing trade slow-down was worsening food shortages. One NATO diplomat, however, commented that much of the Soviet economy performance was hidden in a huge black market.

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Gold & Silver

May-26

Gold (Taka for 11.66 grams)	6,000.00
Tejati	6,300.00
Gunina	300.00
Silver	200.00

Source: Department of Agricultural Marketing

Hides & Skin (Wet/Salted)

May-26

Item	Price
Cow	12,000.00
Light	12,000.00
Medium	12,000.00
Heavy	12,000.00
Very heavy	12,000.00
Rejected	12,000.00
Goat	12,000.00
Big & heavy	12,000.00
Light & heavy	5,500.00
Rejected	5,500.00
Sheep	8,200.00
Buffalo	55,000.00

Source: Department of Agricultural Marketing

Exchange Rates

May-26

Unit	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	62.3009	61.5545
German Deutsche (DM)	21.0937	20.8000
One Unit of Foreign Currencies (FC) for Taka		
FC		
US Dollar	0.9101	0.9419
UK Pound	18.7194	18.4690
French Franc	1.5873	1.4929
Saudi Riyal	6.2032	6.1183
Dutch Guilders	0.9101	0.9419
Pakistan Rupee	18.7194	18.4690
AMU	1.5873	1.4929
Singapore Dollar	20.3435	20.0720
UAE Dirham	9.8141	9.8931
Kuwait Dinar	Not available	
Indian Rupee	1.7504	1.7344
*AMU-Asian Monetary Unit		
Performance Benefit (XPB) Fund		
Wage Earners Fund/Export		
US Dollar	36.48	36.53
UK Pound	63.29	63.34
Sterling		

Source: Sonali Bank

The rates of Pound Sterling are decided every day, based on the rates of New York market.